

Introduced by Senator CalderonFebruary 23, 2007

An act to add and repeal Sections 17053.8 and 23638 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1026, as introduced, Calderon. Personal income and corporation taxes: credit: qualified health care provider.

The Personal Income Tax Law and the Corporation Tax Law authorize various credits against the taxes imposed by those laws.

This bill would authorize a credit against those taxes for each taxable year beginning on or after January 1, 2007, and before January 1, 2012, for a qualified health care provider, as defined, in an amount equal to the amount paid or incurred during the taxable year to provide health care to residents of the state whose health care was not covered by a health care service plan or health insurance.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17053.8 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17053.8. (a) For each taxable year beginning on or after
- 4 January 1, 2007, and before January 1, 2012, there shall be allowed
- 5 as a credit against the "net tax," as defined in Section 17039, of a
- 6 qualified health care provider in an amount equal to the amount

1 paid or incurred during the taxable year to provide health care to
2 residents of the state whose health care was not covered by a health
3 care service plan or health insurance.

4 (b) For purposes of this section, “qualified health care provider”
5 means a practicing doctor or practicing physician’s group.

6 (c) In the case where the credit allowed by this section exceeds
7 the “net tax,” the excess may be carried over to reduce the “net
8 tax” in the following year, and succeeding years if necessary, until
9 the credit is exhausted.

10 (d) This section shall remain in effect only until December 1,
11 2012, and as of that date is repealed.

12 SEC. 2. Section 23638 is added to the Revenue and Taxation
13 Code, to read:

14 23638. (a) For each taxable year beginning on or after January
15 1, 2007, and before January 1, 2012, there shall be allowed as a
16 credit against the “tax,” as defined in Section 23036, of a qualified
17 health care provider in an amount equal to the amount paid or
18 incurred during the taxable year to provide health care to residents
19 of the state whose health care was not covered by a health care
20 service plan or health insurance.

21 (b) For purposes of this section, “qualified health care provider”
22 means a practicing doctor or practicing physician’s group.

23 (c) In the case where the credit allowed by this section exceeds
24 the “tax,” the excess may be carried over to reduce the “tax” in
25 the following year, and succeeding years if necessary, until the
26 credit is exhausted.

27 (d) This section shall remain in effect only until December 1,
28 2012, and as of that date is repealed.

29 SEC. 3. This act provides for a tax levy within the meaning of
30 Article IV of the Constitution and shall go into immediate effect.